GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:7768
ANSWERED ON:17.05.2002
LOSSES TO UTI
NAWAL KISHORE RAI;SUSHIL KUMAR INDORA

Will the Minister of FINANCE be pleased to state:

(a) whether various schemes of the Unit Trust of India have suffered losses worth Rs. 3,700 crore till the end of March, 2002 due to non performing assets;

(b) if so, the facts in this regard;

(c) whether the Government have received any requests to compensate these losses;

(d) if so, the decision taken by the Government thereon so far; and

(e) the total financial assistance provided to the above trust by the Government during the last three years?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a)&(b) Information is being collected and will be laid on the Table of House.

(c),(d)&(e) As part of a financial package announced on 28.12.2001 Government will compensate UTI in respect of the US-64 scheme for the deficit, if any, between the NAV and applicable repurchase prices, with regard to the limited repurchase facility announced on July 15, 2001 upto 3000 units which has been raised to 5000 units per unit-holder, and for remaining holdings in US-64, the deficit, if any, between Rs. 10 per unit and Net Asset Value(NAV) whichever is higher on MAY 31, 2003. Government has released a sum of Rs. 300 crores to UTI in the last financial year.